

1 IN THE UNITED STATES DISTRICT COURT
2 FOR THE EASTERN DISTRICT OF TENNESSEE
3 AT KNOXVILLE, TENNESSEE

4 _____
5 UNITED STATES OF AMERICA,)
6 Government,)
7 vs.) Case No. 3:17-cr-82-1
8 RANDALL KEITH BEANE,)
9 Defendant.)
10 _____

11 SENTENCING PROCEEDINGS
12 BEFORE THE HONORABLE THOMAS A. VARLAN

13 Tuesday, July 24th, 2018
14 10:09 a.m. to 10:51 a.m.

15 APPEARANCES:

16 ON BEHALF OF THE GOVERNMENT:

17 CYNTHIA F. DAVIDSON, ESQ.
18 ANN-MARIE SVOLTO, ESQ.
19 U.S. DEPARTMENT OF JUSTICE
20 OFFICE OF U.S. ATTORNEY
21 800 Market Street
22 Suite 211
23 Knoxville, TN 37902

24 ON BEHALF OF THE DEFENDANT HEATHER ANN
25 TUCCI-JARRAF: (Appearing Pro Se)

 STEPHEN G. MC GRATH, ESQ. (Elbow Counsel)
 ATTORNEY AT LAW
 9111 Cross Park Drive
 Building D, Suite 200
 Knoxville, TN 37923

REPORTED BY:

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1 THE COURTROOM DEPUTY: All rise. The
2 United States District Court for the Eastern
3 District of Tennessee is again in session. The
4 Honorable Thomas A. Varlan, Chief United States
5 District Judge, presiding.

6 Please come to order and be seated.

7 THE COURT: Thank you. Good morning,
8 everyone. Let's call up the next case, please.

9 THE COURTROOM DEPUTY: Criminal Action
10 3:17-cr-82, United States of America versus Randall
11 Keith Beane.

12 Cynthia Davidson and Anne-Marie Svolto
13 are here on behalf of the government.

14 Is the government present and ready to
15 proceed?

16 MS. DAVIDSON: Yes, Your Honor.

17 THE COURTROOM DEPUTY: Mr. Randall Keith
18 Beane representing himself, Stephen McGrath, elbow
19 counsel.

10:09AM 20 Present and ready.

21 THE COURT: Are we ready to go?

22 THE DEFENDANT: Yes.

23 THE COURT: All right. We are here for
24 imposition of judgment and sentence in this case.
25 What we'll do is: Although you're representing

1 yourself, Mr. Beane, you're also here as the
2 defendant in this case. So I'm going to ask you to
3 come up to the podium. If you'd like to be joined
4 by Mr. McGrath, fine, or you can just come yourself,
5 and we'll begin.

6 MS. DAVIDSON: Your Honor, we believe that
7 there is an issue of forfeiture that perhaps needs
8 to be taken up before sentencing.

9 THE COURT: Okay. What is that?

10:10AM 10 MS. SVOLTO: Your Honor, if I may handle
11 that. There is a Motion For Preliminary Order of
12 Forfeiture.

13 THE COURT: The Court has -- notice of that
14 was filed this morning, I believe, or --

15 MS. SVOLTO: Yes, it was, Your Honor.

16 THE COURT: We'll address that first. Go
17 ahead.

18 THE DEFENDANT: I have a matter I'd like to
19 take care of first, if that's okay.

10:10AM 20 THE COURT: We'll, let's start with this,
21 and then we'll take up your matter.

22 All right. Go ahead.

23 MS. SVOLTO: Your Honor, we're seeking
24 forfeiture of the 2017 Integra motor home that the
25 defendant purchased with the funds that he had

1 transferred from the certificates of deposit and
2 into his USAA account, and we're asking that the
3 Court enter a Preliminary Order of Forfeiture based
4 on testimony produced at trial and the exhibits that
5 the government introduced and were admitted at trial
6 that showed that, in fact, the Entegra motor home is
7 directly traceable to the funds the defendant
8 obtained through the bank fraud allegations and for
9 the wire fraud.

10:10AM 10 THE COURT: All right.

11 MS. SVOLTO: And we would also note that
12 the testimony at trial showed that, in fact, the
13 defendant admitted that he used a bank account
14 number that was his Social Security number in order
15 to obtain certificates of deposit using a routing
16 number to the Federal Reserve Bank alleging that
17 this belonged to some trust.

18 Of course, the jury found that the
19 defendant was guilty, and based on the jury finding
10:11AM 20 and the evidence produced at trial, we believe that
21 the requisite nexus is there that the motor home
22 was, in fact, purchased with fraudulently-obtained
23 proceeds.

24 And we would also note that the motor
25 home formed the basis of the money laundering

1 conspiracy allegation for which the defendant was
2 also found guilty by the jury and that the motor
3 home was purchased with SUA proceeds, proceeds of a
4 specified unlawful activity, and that because of
5 that, it should be forfeited to the United States.

6 I would also just note for the Court
7 and for the defendant -- I've spoken with elbow
8 counsel -- that the United States intends to seek
9 permission from the Attorney General to restore
10 funds that may be obtained from the defendant
11 through the sale of the motor home toward the
12 restitution that may be ordered in this case. So
13 the intention of the government is to restore the
14 funds to the victim bank in the case.

15 And the government also saw that in the
16 Indictment a money judgment in the amount of
17 \$553,000 and -- actually, \$553,749.99, which
18 constitutes the proceeds the defendant personally
19 obtained; not necessarily what the victim bank lost
20 but what the defendant himself obtained.

21 The testimony produced at trial showed
22 that the defendant made a number of purchases,
23 including the motor home. I'd also included a Ford
24 truck that was returned later. That is not included
25 in that money judgment calculation.

1 But the defendant also admitted, and
2 it's outlined in the motion the government filed
3 this morning, to making other purchases, including
4 paying off his insurance policy and paying four
5 different consumer loans. All of those loans were
6 backed by the victim bank.

7 So the victim bank received those funds
8 directly. It's not part of the victim bank's
9 restitution award. So we are asking that the
10 defendant be held responsible for a forfeiture money
11 judgment in the amount of \$553,749.99.

12 We would ask the Court to reflect on
13 the trial transcripts. I've outlined some of the
14 pertinent quotes and citations there. And the fact
15 that the defendant did admit to making those
16 purchases.

17 There was witnesses from Buddy Gregg
18 Motor Homes who testified that the defendant chose
19 the motor home and wired the funds.

20 And so -- and based on the exhibits
21 outlining the defendant's banking activity, we think
22 it shows directly a wire transfer of just over
23 \$493,000, which was for the purchase of that motor
24 home.

25 So we'd ask the Court to rely on that

1 in determining that there is a requisite nexus to
2 forfeit the motor home itself and also that the
3 evidence at trial showed that the defendant
4 personally obtained just over \$553,000.

5 THE COURT: All right. Now, Mr. Beane, the
6 government has brought the motion for entry of a
7 Preliminary Order of Forfeiture, as you heard
8 outlined today by the United States attorney, as
9 well as set forth in the motion.

10:14AM 10 Would you like to offer any response to
11 the government's motion? And if you do -- yeah, you
12 can -- you can proceed from the table for purposes
13 of this proceeding.

14 THE DEFENDANT: I have a standing
15 declaration. No. 1, With full responsibility,
16 accountability and liability to declare true,
17 accurate and complete, I duly declare the following
18 and that I am conscious and competent to make such
19 declaration, now duly made, issued and entered into
10:15AM 20 this alleged action or actions here and now for all
21 to rely upon.

22 And, No. 2, That the alleged court,
23 Thomas A. Varlan, Cynthia Davidson, and Marie
24 Svolto, Department of Justice, etcetera, do not have
25 the authority or jurisdiction over me to conduct any

1 proceedings against me as duly declared by standing
2 declarations, precipes, orders, and notices as set
3 forth in documents 19, 98, 101, 102, 145, 146, 147,
4 148, 149, 150, 151, 160, and 215, and all other
5 documents filed in the above-referenced case
6 regarding said lack of jurisdiction and authority of
7 others over me.

8 And, No. 3, That any proceedings and
9 statements made, including by elbow counsel,
10:16AM 10 Stephen G. McGrath, do not waive my declarations,
11 precipes, orders and notices, nunc pro tunc,
12 praeterea preterea.

13 And, No. 4, No. 1 above restated and
14 all said documents and restated and incorporated by
15 reference here now as if set forth in full.

16 And, No. 5, Due and fair notice is
17 hereby duly given that everyone present, including
18 but not limited to Thomas A. Varlan, Cynthia
19 Davidson, Anne-Marie Svolto, and myself are each
10:16AM 20 being held to act with full responsibility,
21 accountability, and liability.

22 And, No. 6, That this alleged action is
23 and was legally and lawfully ordered dismissed with
24 prejudice on 22nd of January 2018, and that there is
25 no authority, jurisdiction or consent to persist

1 with any proceedings of any nature or any kind
2 against me.

3 No. 7, Duly made and issued, with full
4 due lawful authority, capacity and standing on this
5 24th day of July 2018.

6 You do not have authority or
7 jurisdiction to ask me any questions or conduct any
8 proceedings here.

9 Your offer to contract is duly rejected
10 without dishonor for due cause, nunc pro tunc,
11 praetera pretera and ab initio.

12 THE COURT: Thank you, Mr. Beane.

13 Is there anything further you would
14 like to say in response to the government's request
15 for or Motion For Entry of Preliminary Order of
16 Forfeiture?

17 THE DEFENDANT: No.

18 THE COURT: All right. Then the Court will
19 address that preliminarily at this point in time.

10:17AM 20 Before the Court is the government's
21 Motion For Entry of Preliminary Order of Forfeiture,
22 Document 223.

23 In that motion the government seeks
24 forfeiture of the interest of the defendant in
25 property derived from or traceable to property

1 derived from proceeds of the wire fraud and bank
2 fraud violations and property involved in the
3 commission of a money laundering offense, as set
4 forth in the Indictment and pursuant to 18 United
5 States Code §§ 982(a)(1) and 982(a)(2).

6 Specifically, as set forth in the
7 motion, the United States seeks to forfeit the
8 defendant's interest in the motor home that was the
9 subject or testimony at trial, specifically
10 identified as a 2017 Entegra Cornerstone 45B 45-foot
11 diesel motor home, VIN number listed in the motion.

12 The United States or the government
13 also seeks a personal money judgment in favor of the
14 government and against the defendant for
15 \$553,749.99, which the government contends is the
16 amount representing the proceeds the defendant
17 personally obtained as a result of the defendant's
18 criminal violations.

19 First, to the extent -- based on the
20 defendant's statement, to the extent the defendant
21 is applying his arguments regarding the lack of
22 jurisdiction of the Court or the lack of the
23 authority of the Court to enter orders or address
24 matters pertaining to the defendant, to the extent
25 the defendant is raising those arguments as a

1 response or in opposition to the government's Motion
2 For Entry of Preliminary Order of Forfeiture, the
3 Court would note its previous rulings in that regard
4 and previous findings that the Court does, in fact,
5 have jurisdiction over the defendant, specifically,
6 over the federal criminal conviction at issue here
7 today, and correspondingly has the jurisdiction and
8 authority to address the government's Motion For
9 Entry of Preliminary Order of Forfeiture. And to
10:20AM 10 the extent that is a defense to the pending motion,
11 the Court would reject that as a defense.

12 Furthermore, based on consideration of
13 the motion itself, taking into consideration the
14 facts and arguments set forth in the motion, also
15 particularly taking into consideration the trial
16 testimony, which the Court considered or listened to
17 and considered at the trial, and the offense conduct
18 of this defendant as set forth in the Presentence
19 Report and as adduced at the trial, the Court would
10:20AM 20 find it appropriate to grant the government's Motion
21 For Entry of Preliminary Order of Forfeiture.

22 The Court has, in fact, previously
23 entered a Preliminary Order of Forfeiture in this
24 case as Document No. 224 which does address the
25 money order and the money judgment -- excuse me --

1 the motor home and the money judgment, but the Court
2 would at this time find the order of forfeiture to
3 be appropriate and grant the government's motion.

4 All right. Any other preliminary
5 matters we need to take up before proceeding forward
6 with the sentencing?

7 MS. DAVIDSON: No, Your Honor. Thank you.

8 THE COURT: All right. So, Mr. Beane, what
9 I'm going to do at this point: For sentencing
10 purposes, I need to ask you some preliminary
11 questions. So we will ask you up to the podium,
12 and -- and we'll swear you in for those purposes.

13 Then, after those preliminary
14 questions, just so you'll know how we're going to
15 proceed, we'll then address the Presentence Report,
16 and the Court will determine whether there are any
17 objections to the Presentence Report and the Court
18 will determine whether to accept the Presentence
19 Report.

10:21AM 20 The Court then would typically allow
21 counsel for the parties or in this case you yourself
22 representing yourself to address the sentencing
23 factors that the Court must consider or the Court is
24 to consider in determining an appropriate sentence
25 in this case.

1 So typically the counsel for the
2 government would go first and you would have a
3 chance to address, in effect, what you believe the
4 sentence in this case should be based upon the
5 considerations before the Court.

6 And then after we do that, then if you
7 desire, the Court, separate from making any
8 arguments you would like to make regarding an
9 appropriate sentence, the Court would then allow you
10:22AM 10 to allocute or to say anything else you would like
11 to say as a defendant on your own behalf before
12 sentence is imposed. So that's how the Court plans
13 to proceed.

14 So if you wouldn't mind coming on up to
15 the podium and we'll have the courtroom deputy
16 administer the oath to you.

17 THE COURTROOM DEPUTY: Raise your right
18 hand.

19 Do you solemnly swear to tell the
10:23AM 20 truth, the whole truth and nothing but the truth?

21 THE DEFENDANT: I am here as myself,
22 presenting myself as myself, and I do speak true,
23 accurate and complete at all times.

24 THE COURTROOM DEPUTY: Thank you, sir.

25 THE COURT: Thank you, Mr. Beane. I just

1 want to reconfirm or state to you that on
2 February 1, 2018, a jury found you guilty of Counts
3 1 through 5 of the Indictment in this case charging
4 you with wire fraud in violation of 18 United States
5 Code § 1343, Count 6 charging you with bank fraud in
6 violation of 18 United States Code § 1344, and Count
7 7 charging you with conspiracy to commit money
8 laundering in violation of 18 United States Code §
9 1956(h).

10:23AM 10 Do you understand, sir, that the
11 offenses described in Counts 1 through 5 -- those
12 are the wire fraud counts -- do you understand that
13 those offenses require a sentence of up to 20 years'
14 imprisonment, up to three years of supervised
15 release, a fine of \$250,000, restitution, and a \$100
16 special assessment? Do you understand that?

17 THE DEFENDANT: You do not have authority
18 or jurisdiction to ask me that question or to
19 conduct any proceeding here.

10:24AM 20 THE COURT: All right. Let me return -- in
21 light of that statement, let me just turn to counsel
22 for the government.

23 Can you confirm in open court and for
24 the defendant that those -- that that is the
25 statutory range of imprisonment for the offenses

1 described in Counts 1 through 5?

2 MS. DAVIDSON: Yes, Your Honor. The range
3 of imprisonment as to -- or just as you stated, up
4 to 20 years' imprisonment for each count. Just as
5 you stated it.

6 Do you want me to go through each
7 count?

8 THE COURT: I'll start with Counts 1
9 through 5.

10:25AM 10 MS. DAVIDSON: Okay. 1 through 5?

11 THE COURT: I just want the government to
12 confirm that statutorily that Counts 1 through 5
13 require a sentence of up to 20 years' imprisonment,
14 up to three years of supervised release, a fine of
15 \$250,000, restitution, and a \$100 assessment.

16 MS. DAVIDSON: Yes, Your Honor, that's --

17 THE COURT: All right.

18 MS. DAVIDSON: -- my understanding of the
19 statutory construction.

10:25AM 20 THE COURT: All right. Thank you.

21 Next, Mr. Beane, do you understand that
22 the offense described in Count 6 -- that's the bank
23 fraud count -- requires a sentence of up to
24 30 years' imprisonment, up to five years' supervised
25 release, a fine of up to one million dollars,

1 restitution, and a \$100 special assessment?

2 THE DEFENDANT: Again, you do not have
3 authority or jurisdiction to ask me that question,
4 nor to conduct any proceeding here.

5 THE COURT: All right. Again,
6 Ms. Davidson, if the government could confirm its
7 understanding of the -- if the Court has correctly
8 stated the statutory range of imprisonment as to
9 Count 6.

10:25AM 10 MS. DAVIDSON: Yes, Your Honor, that is my
11 understanding of the statutory range.

12 THE COURT: All right. And then finally,
13 Mr. Beane, do you understand the offense described
14 in Count 7, which is the conspiracy to commit money
15 laundering count, requires a sentence of up to
16 30 years' imprisonment, up to five years' supervised
17 release, a fine of up to one million dollars,
18 restitution, and a \$100 special assessment?

19 THE DEFENDANT: Once again, for the record,
10:26AM 20 you do not have authority or jurisdiction to ask me
21 that question, nor to conduct any proceeding here.

22 THE COURT: Again, if the government would
23 confirm the Court's understanding of the statutory
24 range of imprisonment as to Count 7.

25 MS. DAVIDSON: Yes, Your Honor, that is my

1 understanding.

2 THE COURT: All right. Mr. Beane, next I
3 want to look at the Presentence Report. Have you,
4 in fact, received the Presentence Report issued by
5 the United States Probation Office in this case?

6 THE DEFENDANT: Yes.

7 THE COURT: And have you had a chance to
8 review that?

9 THE DEFENDANT: Yes.

10:26AM 10 THE COURT: All right. And do you have any
11 specific objections to the Presentence Report?

12 THE DEFENDANT: No.

13 THE COURT: All right. Ms. Davidson, have
14 you received the Presentence Report in this case?

15 MS. DAVIDSON: Yes, Your Honor.

16 THE COURT: Does the government have any
17 objections?

18 MS. DAVIDSON: No objections, Your Honor.

19 THE COURT: All right. The Court would
10:27AM 20 state while the defendant -- so the record is clear,
21 while the defendant has no specific objections to
22 the Presentence Report, the defendant has made
23 various filings, subsequent to the filing of the
24 Presentence Report, again, which the Court would
25 concur would not be construed as specific objections

1 to the Presentence Report, but, instead, as
2 continued objections to this Court's jurisdiction
3 and/or authority.

4 To the extent those objections apply to
5 the Presentence Report itself as general objections,
6 the Court again would reiterate its previous finding
7 that the Court does, in fact, have jurisdiction over
8 the federal criminal conviction at issue here today.
9 And the Court, in light of the lack of any specific
10 objections to the Presentence Report by either
11 parties, would accept the Presentence Report in this
12 case.

13 All right. Next we talk about
14 imposition of sentence, and we'll start with the
15 government.

16 Mr. Beane, you can have a seat for just
17 a couple moments. Thank you, sir.

18 Is there anything the government would
19 like to -- the Court does note the government's
20 filing of a sentencing memorandum, but anything from
21 the government regarding imposition of sentence in
22 this case?

23 MS. DAVIDSON: Based on our sentencing
24 memorandum, the United States believes that a
25 guideline sentence is appropriate in this case. It

1 meets all of the factors of 3553, including general
2 and specific deterrence and respect for the law.

3 We would ask that the defendant's
4 federal sentence be consecutive to his anticipated
5 state court sentence in Jasper County, South
6 Carolina. That was a charge for resisting arrest,
7 and there is evidence in this case that the
8 defendant also resisted arrest, and so we ask that
9 the defendant suffer the consequences of both of
10 those convictions and that they be consecutive.

10:28AM

11 Thank you, Your Honor.

12 THE COURT: Thank you.

13 All right. Mr. Beane, now you can come
14 back up to the podium, please.

15 Is there anything that you would like
16 to say -- I'm going to give you the chance to
17 allocute, if you would like, in a moment. But at
18 this point you're representing yourself. If there
19 is anything you'd like to say either in response to
20 the government's argument regarding imposition of
21 sentence or anything else you'd like to say on your
22 own behalf regarding imposition of sentence in this
23 case.

10:29AM

24 THE DEFENDANT: As far as the allegations
25 of resisting arrest in South Carolina, there is no

1 proof of anything I was arrested for. It was simply
2 a charge of resisting arrest. There is no charge of
3 anything else.

4 As far as this case is concerned, I'd
5 argue the fact that I resisted arrest just for the
6 record.

7 THE COURT: Okay. Anything else you'd like
8 to say about this case or about what the sentence
9 should be in this case or what factors the Court
10 should look at regarding the appropriate sentence?

11 THE DEFENDANT: Other than the fact that
12 this Court has no authority or jurisdiction over me
13 for any proceedings here.

14 THE COURT: All right. Thank you.

15 Then, finally, before you sit down,
16 now, as a defendant in a criminal case, even if you
17 were represented by counsel, the Court would give
18 you the chance to allocute or say anything you'd
19 like to say on your own behalf before sentence is
20 imposed. So that's what I'm asking you now. Is
21 there anything further or anything you'd like to say
22 on your own behalf to the Court before the Court
23 imposes sentence?

24 THE DEFENDANT: Other than restating the
25 standing declaration, I have nothing else.

1 THE COURT: All right. Thank you.

2 Mr. McGrath, anything as elbow counsel?
3 Would you like to consult with Mr. Beane any further
4 or offer anything further?

5 MR. MC GRATH: No, we've spoken in the last
6 couple days and I visited him out at the jail. So
7 we've covered all those matters. So nothing to add,
8 Your Honor.

9 THE COURT: All right. Thank you. Give me
10 just a moment.

11 All right. The Court in this case has
12 carefully reviewed the Presentence Report,
13 considered the arguments presented by the parties,
14 as well as the Court's considered the trial
15 testimony in this case, and in a manner intended to
16 comply with the Sixth Circuit's jurisprudence since
17 the Booker case rendered the Sentencing Guidelines
18 advisory and Gall v. United States' requirement that
19 the Court make an individual assessment based on the
10:31AM 20 facts presented and adequately explain the chosen
21 sentence, the Court will explain its reasons for the
22 sentence to be imposed in this case in discussing,
23 among other things, the advisory guideline
24 calculation and the factors discussed in 18 United
25 States Code § 3553 relevant to this case. Based on

1 those factors and considerations of the guidelines
2 range, the Court will then impose a sentence
3 sufficient, but not greater than necessary, to
4 comply with the purposes discussed in 18 U.S.C. §
5 3553.

6 First, with respect to the guideline
7 calculation, that calculation is set forth in the
8 Presentence Report to which there has not been
9 objection, and as noted in paragraph 70, based on a
10:32AM 10 total offense level of 33 and criminal history
11 category of II, the guideline imprisonment range is
12 151 months to 188 months.

13 With respect next to the 18 United
14 States Code § 3553 factors, first, the nature and
15 circumstances of the offense. Again, the defendant
16 was found guilty, as the Court has just discussed --
17 has been found guilty by a jury of five counts of
18 wire fraud, one count of bank fraud, and one count
19 of conspiracy to commit money laundering.

10:33AM 20 His specific offense conduct is set
21 forth, as well as that of his co-defendant, is set
22 forth in some detail beginning at paragraph 6 of the
23 Presentence Report, all of which the Court has
24 reviewed.

25 I'm not going to reiterate all of that

1 offense conduct today, but the Court has reviewed it
2 in total and would incorporate the offense conduct
3 as set forth in the Presentence Report as part of
4 its analysis of the defendant's instant offense
5 conduct, coupled, again, with the trial testimony
6 offered in this case.

7 By way of brief summary, among other
8 things, on July 5 and July 7, 2017, this defendant
9 purchased or attempted to purchase approximately 40
10:34AM 10 certificates of deposit totaling over \$38 million
11 from USAA Bank using his Social Security number as
12 the account number and routing number to the Federal
13 Reserve Bank in New York as the funding account.

14 In fact, during the trial, as noted in
15 paragraph 15, the defendant did testify that he did,
16 in fact, purchase the CDs using his Social Security
17 number.

18 In that manner, he advised that he
19 located a video online of an individual representing
10:34AM 20 himself as Harvey Dent who informs individuals how
21 to use a trust account and Federal Reserve routing
22 numbers to pay off debt, and Beane conveyed that he
23 decided to try this method of paying off his debt.

24 In fact, it's noted in paragraph 15
25 that the defendant testified that he kept purchasing

1 CDs from USAA Bank because he, quote, "wanted to
2 know where the end was," close quote.

3 At some point on July 5, 2017,
4 co-defendant -- his co-defendant, Ms. Tucci-Jarraf,
5 was corresponding with this defendant via Skype and
6 had knowledge of this defendant's attempts to
7 purchase CDs using the aforementioned method.

8 On July 6, 2017, this defendant
9 executed a wire transfer of \$493,000 -- \$493,110.68
10:35AM 10 to Buddy Gregg Motor Homes, LLC for a 45-foot motor
11 home.

12 Trial testimony showed once USAA Bank
13 and Whitney Bank, the bank utilized by Buddy Gregg
14 Motor Homes, LLC, detected potential fraud regarding
15 this defendant's transaction, his accounts were
16 frozen and fraud investigators began an
17 investigation.

18 On July 8, 10 and 11, 2017, this
19 defendant's co-defendant working on his behalf was
10:36AM 20 involved in telephone conversations with this
21 defendant, representatives of Buddy Gregg Motor
22 Homes and Whitney Bank, and made assurances that the
23 transactions were legal and legitimate.

24 She further informed this defendant to
25 place the motor home in the name of a trust account

1 he had created using his Social Security number and
2 Federal Reserve routing number.

3 Paragraph 20 of the Presentence Report
4 also notes this defendant's activities related to
5 purchase of a Ford Super Duty pickup truck for a
6 list price of \$80,510.86, or total price of \$86,000,
7 and the defendant purchased the vehicle with a
8 written check, and after the fraudulent activity of
9 the defendant was discovered by USAA Bank, the
10:37AM 10 defendant returned that truck to Ted Russell Ford on
11 July 10, 2017.

12 And then paragraphs 21 through 23 of
13 the Presentence Report set forth in more detail this
14 defendant's activities regarding the subject motor
15 home.

16 Paragraph 25 notes the total intended
17 loss attributed to defendant Beane is no less than
18 \$38,994,967, and paragraph 27 under the victim
19 impact provision of the Presentence Report notes
10:37AM 20 that the amount of restitution for which defendant
21 is responsible is \$510,589.02.

22 Turning next to the history and
23 characteristics of this defendant, the defendant is,
24 I believe, currently 50 years of age. He was born
25 in North Carolina, primarily reared by his mother.

1 He has one brother and one sister. He's never been
2 married, has no children.

3 Again, he's been a lifelong resident of
4 North Carolina with the exception of the past
5 several years where he resided in the Eastern
6 District of Tennessee.

7 According to the defendant, he
8 graduated from high school in 1985, and was in the
9 United States Air Force from 1998 (sic) to 1993.

10:38AM 10 Vocationally the defendant states he's
11 been employed in the car detailing business as a
12 warehouse manager and with a graphics company.

13 He reports being in relatively good
14 health with no known physical limitations, no
15 history of mental or emotional health treatment, no
16 substance abuse history, other than rare use of
17 alcohol and experimentation with marijuana in --
18 several decades ago in his 20s.

19 The defendant does have a limited
10:39AM 20 criminal history. He's been convicted of offenses
21 of trespassing, possession of marijuana, no driver's
22 license, wilful destruction by tenant, driving while
23 impaired, and driving without a license, all
24 resulting in a criminal history category of II in
25 this case.

1 With this background in mind, the Court
2 then considers the need for the sentence imposed to
3 reflect various factors, including, but not limited
4 to, the seriousness of the offense.

5 Again, the Court heard testimony in
6 this case, including by the defendant, as well as
7 others, over a multi-day period.

8 The facts deduced at trial, the
9 evidence deduced at trial, the facts as set forth in
10 the Presentence Report related to this defendant's
11 offense conduct. Again, as highlighted by
12 particularly the loss attributed to this defendant
13 and the amount of restitution owing all constitutes
14 a serious offense conduct on this defendant's part,
15 in terms of his violations of multiple federal
16 offenses, again, bank fraud, wire fraud, and
17 conspiracy to commit money laundering.

18 The Court considers the need to promote
19 respect for the law and provide just punishment.

10:40AM 20 Again, taking into consideration the level, scope
21 and seriousness of the defendant's offense conduct
22 and also taking into consideration his demonstrated
23 lack of respect for the law, and, again, the need to
24 provide just punishment, given the seriousness of
25 his offense conduct, and also taking into

1 consideration his somewhat limited criminal -- past
2 criminal history.

3 The Court does consider the need for
4 adequate deterrence. The Court finds a need for
5 specific deterrence in this case based on the
6 defendant's offense conduct.

7 The Court also considers general
8 deterrence; that is, fashioning a sentence that
9 hopefully would act as a general deterrent to others
10 similarly situated to this defendant who may
11 contemplate the undertaking of similar crimes in the
12 future. And the Court also considers the need to
13 protect the public from further crimes of the
14 defendant.

15 Again, while his previous criminal
16 history is somewhat limited, his current offense
17 conduct is serious, and, again, given his statement
18 regarding his belief in the lack of authority or
19 jurisdiction over him, the Court is concerned and
20 does find the need to protect the public from
21 further crimes of the defendant, given his positions
22 in this case.

23 The Court considers the need to provide
24 the defendant with training, education and medical
25 treatment. The Court does not find the need for

1 substance abuse or mental health treatment in this
2 case.

3 While the defendant is -- from a
4 guideline standpoint is facing a lengthy sentence,
5 the Court does believe the defendant would benefit
6 from additional educational and particularly
7 vocational training opportunities that may be
8 afforded to him by the Bureau of Prisons.

9 To the extent the Court does or the
10 Presentence Report does discuss any treatment, the
11 Court would note that it is not intending to and is
12 not imposing or lengthening the defendant's prison
13 sentence to enable him to complete a treatment
14 program or otherwise promote rehabilitation.

15 The Court also notes under § 3553 that
16 the advisory guidelines are intended, in part, to
17 carry out the national policies as articulated by
18 Congress and that sentences be uniform across the
19 country, to the extent possible, and be based on the
20 offender's actual conduct and history, and the Court
21 has previously noted, as the Presentence Report
22 notes, a need to provide restitution in this case.

23 In light of everything discussed,
24 including the guideline range and the relevant
25 § 3553 factors, and considering the arguments and

1 positions of the parties, the Court is going to
2 impose a guideline sentence in this case of 155
3 months. For all the reasons discussed, the Court
4 finds this sentence to be sufficient, but not
5 greater than necessary, to comply with the purposes
6 of 18 U.S.C. § 3553.

7 Pursuant to 18 United States Code §
8 3553(c)(1), the Court notes that it finds a sentence
9 within the guidelines range at this range to be
10 justified based upon the Court's belief that such a
11 sentence adequately reflects the seriousness of the
12 instant offenses, provides adequate deterrence, and
13 protects the public from further crimes being
14 committed by the defendant.

15 The Court will also impose a period of
16 supervised release in this case in total of five
17 years, and the Court will also impose the special
18 conditions of supervised release in addition to the
19 general and mandatory conditions, the special
20 conditions found in paragraph 80 of the Presentence
21 Report, to which there has not been specific
22 objection. These relate to a special search
23 condition during a period of supervised release, as
24 well as in light of the restitution being ordered
25 and the forfeiture being entered. Special

1 conditions related to access to financial
2 information, credit restrictions, and requirements
3 regarding payment of financial penalties. The Court
4 finding these special conditions of supervised
5 release to be reasonably related to the several
6 sentencing factors discussed by the Court to involve
7 no greater deprivation of liberty than reasonably
8 necessary for those several sentencing purposes and
9 to be consistent with pertinent policy statements
10 issued by the Sentencing Commission.

10:44AM

11 Finally, with respect to paragraph 53
12 of the Presentence Report, the pending charge in
13 Jasper County, South Carolina, Docket No.
14 2014-GS-2700554, the Court recognizes its
15 discretion, pursuant to applicable law and
16 guidelines provisions, to run the sentence in this
17 case concurrent, partially concurrent or consecutive
18 to the prior undischarged sentence of imprisonment,
19 and while the sentence in that case is un- -- the
20 Court would find it to be unrelated, which might
21 speak to a consecutive sentence being imposed, there
22 was testimony about -- at the trial, it was tied
23 into this trial, if you will, and was the subject of
24 some testimony, and in light of that, in light of
25 the length of the sentence imposed in this case, the

10:45AM

1 Court will run the sentence in this case concurrent
2 to any sentence arising from the sentence imposed
3 due to violations in Jasper County, South Carolina.

4 Accordingly and pursuant to the
5 Sentencing Reform Act of 1984, it is the judgment of
6 the Court as to Counts 1 through 7 that the
7 defendant, Randall Keith Beane, is hereby committed
8 to the custody of the Bureau of Prisons for a total
9 term of imprisonment of 155 months.

10:46AM 10 This sentence consists of a term of
11 120 months as to each of Counts 1 through 5 and 155
12 months as to each of Count 6 and 7 to run
13 concurrently.

14 It's further ordered that you shall
15 make restitution in the amount of \$510,589.02 to
16 USAA Bank in accordance with 18 United States Code
17 §§ 3663 and 3663(a) or any other statute authorizing
18 restitution.

19 Restitution shall be paid in full
10:46AM 20 immediately. The government may enforce the full
21 amount of restitution ordered at any time pursuant
22 to Title 18 U.S.C. §§ 3612, 3613 and 3664(m).

23 The U.S. Bureau of Prisons, U.S.
24 Probation Office and the U.S. Attorney's Office
25 shall monitor payment of restitution and reassess

1 and report to the Court any material change in your
2 ability to pay.

3 You shall make restitution payments
4 from any wages you may earn in prison in accordance
5 with the Bureau of Prisons Inmate Financial
6 Responsibility Program. Any portion of restitution
7 not paid in full at the time of your release from
8 imprisonment shall become a condition of
9 supervision.

10:47AM 10 The Court finds you do not have the
11 ability to pay interest on the restitution ordered.
12 Interest is waived.

13 Upon release from imprisonment, you
14 shall be placed on supervised release for a total
15 term of five years, consisting of three years as to
16 each of Counts 1 through 5 and five years as to each
17 of Counts 6 and 7 to run concurrently.

18 While on supervised release, you shall
19 not commit another federal, state or local crime.

10:47AM 20 You must not unlawfully possess and must refrain
21 from use of controlled substances and comply with
22 the standard conditions adopted by this court in
23 Local Rule 83.10.

24 In particular, you must not own,
25 possess or have access to a firearm, ammunition,

1 destructive device or other dangerous weapon. You
2 shall cooperate in the collection of DNA as directed
3 by the probation officer and, again, comply with the
4 special conditions as set forth in the Presentence
5 Report and previously articulated by the Court.

6 Title 18 United States Code §§ 3565(b)
7 and 3583(g) require mandatory revocation of
8 supervised release for possession of a controlled
9 substance, ammunition or firearm, or for refusal to
10:48AM 10 comply with drug testing.

11 Pursuant to Title 18 U.S.C. § 3013, you
12 shall pay a special assessment fee in the amount of
13 \$700 which shall be due immediately.

14 The Court finds you do not have the
15 ability to pay a fine, however, and will waive the
16 fine in this case.

17 Pursuant to Rule 32 of the Federal
18 Rules of Criminal Procedure, the Court advises you
19 may have the right to appeal the sentence imposed in
10:48AM 20 this case. The Notice of Appeal must be filed
21 within 14 days of entry of judgment. If you request
22 and so desire, the Clerk of Court can prepare and
23 file the Notice of Appeal for you.

24 It's further ordered you be remanded to
25 the custody of the Attorney General pending

1 designation by the Bureau of Prisons.

2 Ms. Davidson, does the government have
3 any objection to the sentence just pronounced that
4 has not previously been raised?

5 MS. DAVIDSON: No, Your Honor, we have no
6 objections, but it's my understanding that the
7 Preliminary Order of Forfeiture must also be
8 announced orally.

9 THE COURT: All right. The Court has
10:49AM 10 previously entered the Preliminary Order of
11 Forfeiture, but the Court does announce the entry of
12 a Preliminary Order of Forfeiture in accordance with
13 applicable law, specifically the forfeiture of a
14 2017 Entegra Cornerstone 45B 45-foot diesel motor
15 home, VIN No. 4VZVU1E94HC082572, topaz in color,
16 with eight wheels, and a money judgment in favor of
17 the United States and against the defendant, Randall
18 Keith Beane, for \$553,749.99, representing the
19 minimum amount of proceeds Randall Keith Beane
10:50AM 20 personally obtained directly or indirectly as a
21 result of the criminal violations of 18 United
22 States Code §§ 1343 and 1344.

23 Anything further from the government?

24 MS. DAVIDSON: No, Your Honor. Thank you.

25 THE COURT: All right. Mr. Beane, do you

1 as defendant have any objections to the sentence
2 just pronounced that has not previously been raised?

3 THE DEFENDANT: Yes, I object to the
4 sentencing. You have no authority or jurisdiction
5 to sentence me; standing documents 147, 148, 149,
6 150, and 151.

7 THE COURT: All right. Other than
8 objections related to the authority and the
9 jurisdiction of the Court, do you have any other
10:50AM 10 objections to the sentence just pronounced not
11 previously raised?

12 THE DEFENDANT: No.

13 THE COURT: All right. Thank you.

14 And the Court has previously addressed
15 defendant's continuing objections to the authority
16 and jurisdiction of the Court and would repeat and
17 reincorporate its oral and written pronouncements in
18 that regard.

19 So anything further we need to take up
10:51AM 20 this morning from either side? Ms. Davidson?

21 MS. DAVIDSON: No, Your Honor.

22 THE COURT: Mr. Beane?

23 THE DEFENDANT: Yes, I'd like to appeal the
24 sentencing.

25 THE COURT: All right. You'd like the

1 Clerk to file a Notice of Appeal for you?

2 THE DEFENDANT: Yes.

3 THE COURT: All right. The Court will
4 direct the Clerk to do so.

5 Anything further, Mr. Beane?

6 THE DEFENDANT: No.

7 THE COURT: All right. Thank you.

8 Anything further from the government?

9 MS. DAVIDSON: No, Your Honor.

10:51AM 10 THE COURT: All right. Then we'll stand in
11 recess.

12 Thank you, everyone, for being here
13 this morning.

14 THE COURTROOM DEPUTY: All rise. This
15 honorable court should stand in recess until 1:30.

16 (Which were all the proceedings
17 had and herein transcribed.)

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C-E-R-T-I-F-I-C-A-T-E

STATE OF TENNESSEE

COUNTY OF KNOX

I, Teresa S. Grandchamp, RMR, CRR, do hereby
certify that I reported in machine shorthand the
above proceedings; that the foregoing pages were
transcribed under my personal supervision and
constitute a true and accurate record of the
proceedings.

I further certify that I am not an attorney
or counsel of any of the parties, nor an employee or
relative of any attorney or counsel connected with
the action, nor financially interested in the
action.

Transcript completed and signed on Wednesday,
August 1, 2018.

TERESA S. GRANDCHAMP, RMR, CRR
Official Court Reporter